

1. Prompt action, pursuant to N.C. Gen. Stat. 84-28(f), is necessary to preserve the status quo while the State Bar conducts an analysis of Reed's trust, operating and personal bank accounts and to ensure that client funds are not mishandled.
2. Reed should be enjoined from accepting any further funds from or on behalf of clients or other individuals in a fiduciary capacity, from writing checks against any

account in which client or fiduciary funds have been deposited, and from directing or permitting any employee or agent to withdraw funds from and/or to draw any checks or other instruments upon any account in which client or fiduciary funds have been deposited until and unless expressly permitted by subsequent orders of the Court.

3. To assist the State Bar's analysis of her trust, operating and personal bank accounts, Reed should provide the State Bar with records of all accounts in which client or fiduciary funds have been deposited and with all client files and client ledgers requested by the State Bar as set forth below.

4. To assist the State Bar's analysis of her trust accounts, Reed should provide the State Bar with the reconciliation reports required to be prepared and maintained pursuant to Rule 1.15-3(d) of the Rules of Professional Conduct.

THEREFORE, IT IS HEREBY ORDERED:

1. Mary Zehr Alexander Reed is enjoined from accepting or receiving any funds from clients or third parties in a fiduciary capacity, from withdrawing any funds from and/or drawing any checks or other instruments against any account in which client or fiduciary funds have been deposited and from directing or permitting any employee or agent to withdraw funds from and/or to draw any checks or other instruments upon any account in which client or fiduciary funds have been deposited until and unless expressly permitted by subsequent orders of the Court.

2. Reed or any other person having custody or control of records relating to any account into which client or fiduciary funds have been deposited shall immediately produce to the North Carolina State Bar for inspection and copying all of Reed's financial records relating to any account into which client or fiduciary funds have been deposited, including, but not limited to bank statements, canceled checks, deposit slips, client ledgers, check stubs, debit memos and any other records relating to the receipt and disbursement of client and/or fiduciary funds.

3. Reed or any other person having custody or control over records relating to persons or entities for whom Reed has provided legal services shall produce to the North Carolina State Bar for inspection and copying all records and documents relating to each such person or entity including but not limited to client files, billing statements, memoranda and receipts. Documents relating to current clients shall be produced within 24 hours of demand by the State Bar. Documents relating to closed client files shall be produced within 3 days of demand by the State Bar.

4. If Reed does not have possession of the minimum records required to be maintained regarding trust and fiduciary funds pursuant to Rule 1.15-3 of the Rules of Professional Conduct and/or does not have possession of bank account records for any accounts into which client or fiduciary funds were deposited, she shall direct the bank(s) where her bank account(s) are maintained, within 10 days of the date of this order, to

copy and transmit any such missing records directly to the North Carolina State Bar at Reed's expense.

5. Reed shall immediately produce to the North Carolina State Bar at its Raleigh, North Carolina location the monthly and quarterly reconciliation reports for any and all trust accounts that she is required to produce and maintain pursuant to Rule 1.15-3(d) of the Rules of Professional Conduct. If Reed has not prepared such reports as required by Rule 1.15-3(d), she is hereby ordered to conduct the monthly and quarterly reconciliations required by Rule 1.15-3(d) for the time period required under the Rules of Professional Conduct, or a lesser period if so specified by the State Bar, and produce the reports to the State Bar within two weeks of the date of this order or by the deadline set by the State Bar, whichever is later.

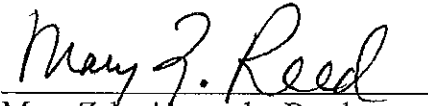
6. Reed shall not serve in any fiduciary capacity, including trustee, escrow agent, personal representative, executor or attorney-in-fact, until and unless she is permitted to do so by order of this Court.


7. This Consent Order of Preliminary Injunction shall remain in effect until further order of this Court.

THIS the 11<sup>th</sup> day of March, 2014.

  
Superior Court Judge Presiding

WE CONSENT:

  
Mary Zehr Alexander Reed  
Respondent

  
Katherine E. Jean  
Attorney for Petitioner  
The North Carolina State Bar